

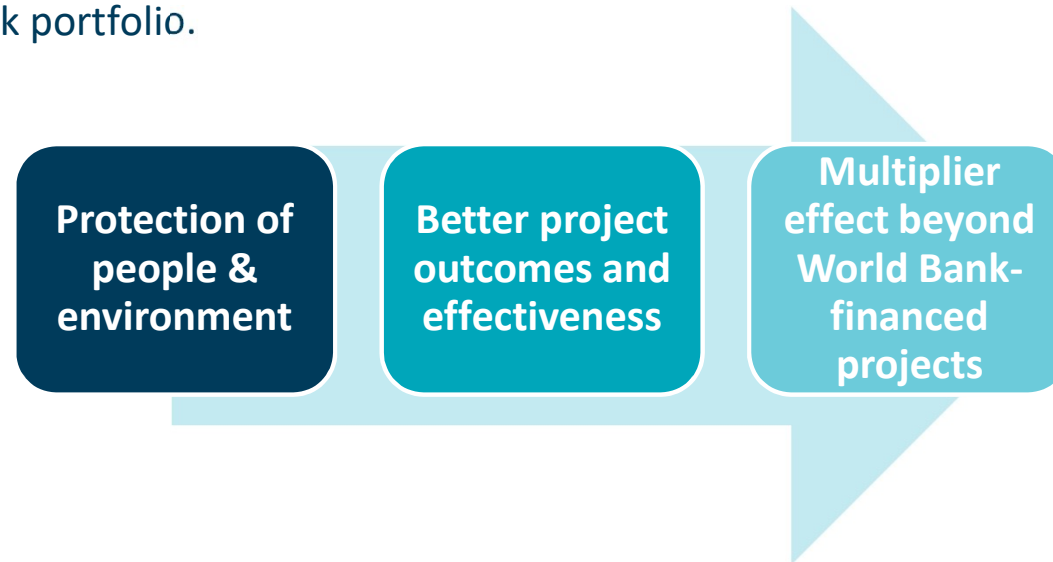
CAPACITY BUILDING SUPPORT FOR INSTITUTIONAL STRENGTHENING OF THE NEPAL ELECTRICITY AUTHORITY FOR ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT



Why do we have Environmental and Social Policies?

Environmental and social policies help ensure that **people and the environment** are **protected** from potential adverse impacts in investment projects. Such policies also improve the **outcome and effectiveness** of projects.

In addition, support for strengthening the capacity of Governments to implement environmental and social policies, increases **sustainability and impact** beyond the World Bank portfolio.



Supporting Government Capacity

The ESF is designed to help Governments strengthen their institutions and systems over time and develop **more sustainable capacity** that will improve the management of environmental and social risks and impacts.

Capacity strengthening along the broad range of environmental and social issues covered in the ESF in turn promotes **better – and lasting – development outcomes**.



General Issues about institutional Capacity Development

Institutional Capacity Development has to be embraced as part of an ongoing management process with **short, medium, and long term goals**.

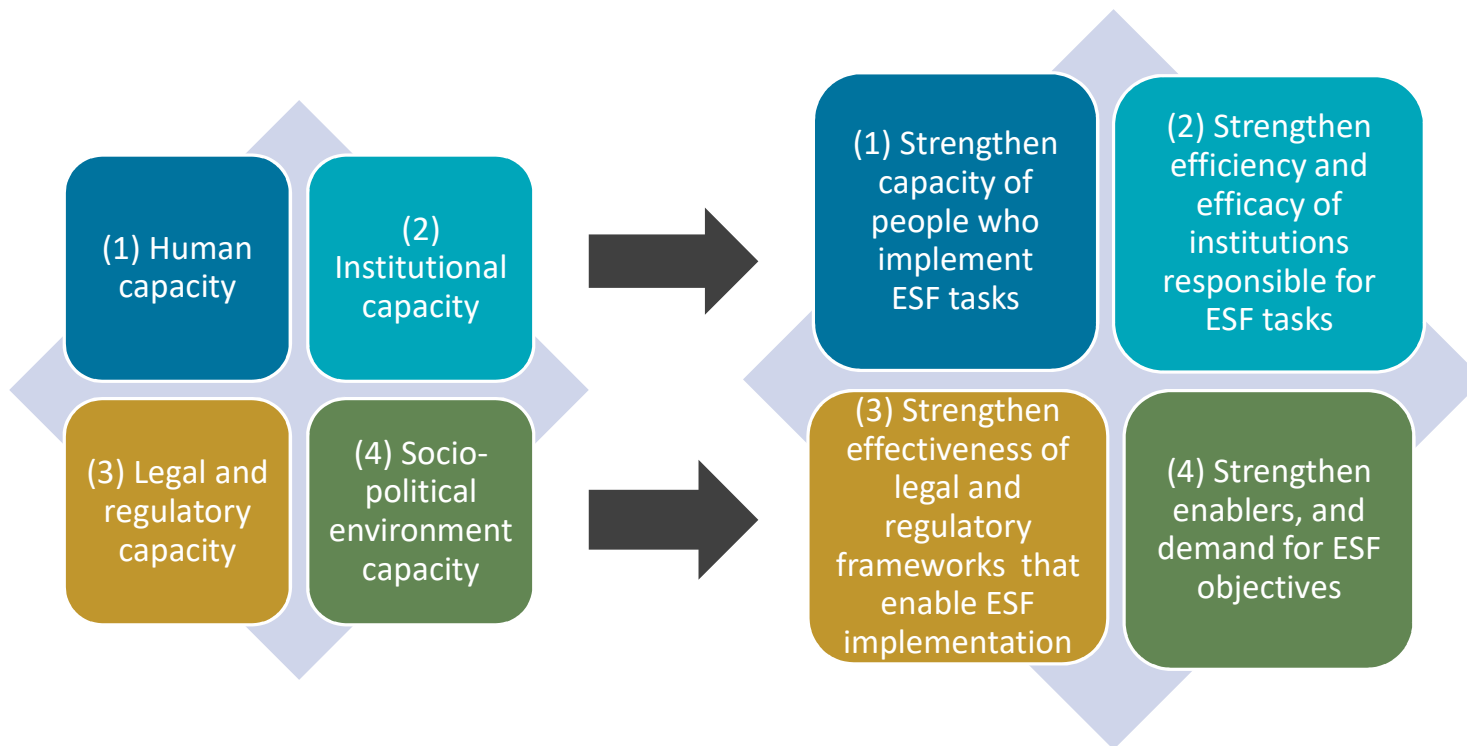
Institutional Capacity Development is **typically not linear**- it usually develops along a trajectory over time.

Institutional Capacity Development plans with actions should have clear goals and metrics with an understanding that it **will need to change and be adapted over time**.



Different aspects of capacity support each other

Capacity Strengthening should be addressed through multiple **dimensions**:



Capacity Assessments with different Objectives



ESF “Overview Assessment”

To work upstream on important ESF capacity development issues that may be applicable to institutions, multiple projects in a country, sub-sovereign jurisdiction, sector, or theme.



ESF Project-level Institutional Capacity Assessment

To inform project capacity development actions important for a specific project’s design and implementation.



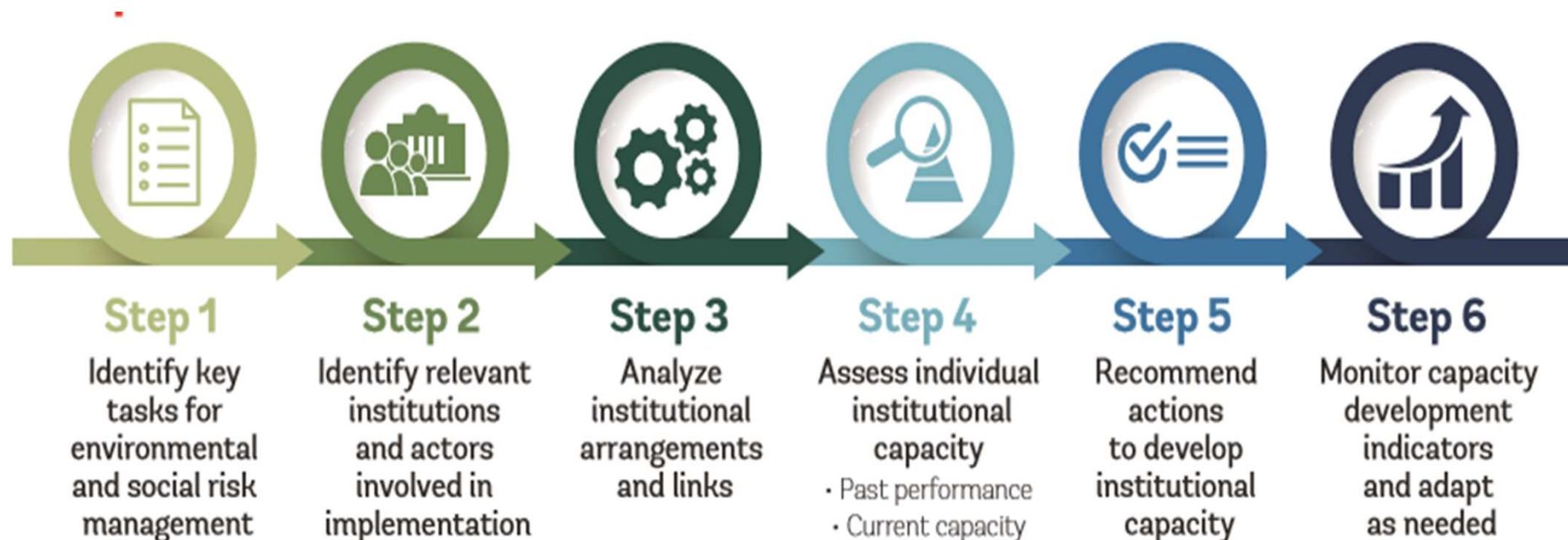
ESF “Borrower Framework Assessment”

To identify where a country’s environmental and social framework is likely to address the risks and impacts of a project and enable the project to achieve objectives materially consistent with the ESSs.

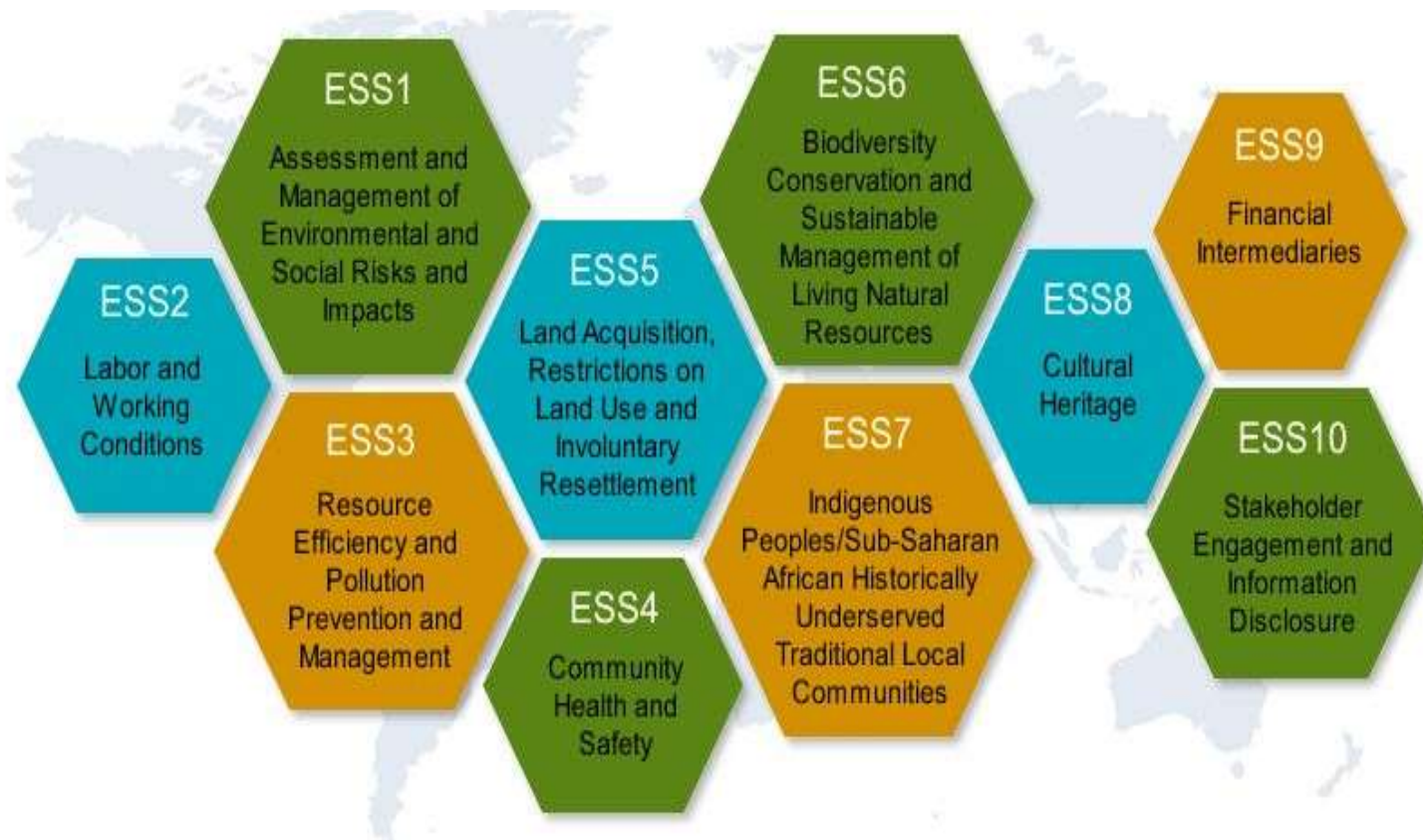
Institutional Capacity Assessment Process:

- Developed to assist project teams to carry out a systematic assessment
- Designed to be used before or during project appraisal
- Undertaken jointly between the Bank and the Borrower to support both the Bank's due diligence and the Borrower ESF responsibilities.
- Actions emerging from a project level assessment could be integrated as appropriate into a project specific EMP or ESMF.
- Can be used to inform an overview assessment when it focuses on a specific typology of projects (in this case using NEA's type of projects).

Project Level Institutional Capacity Assessment: A six – step – approach focused on ESF tasks



Step 1: Key Tasks- Using World Bank ESF Environmental and Social Standards objectives and requirements, as a benchmark



Step 1 – Identify KEY TASKS

Task	Specific responsibilities
ESA	Scope and preparation of TORs
	Carry out assessment process (including specialized assessments as appropriate)
	Public disclosure and consultation
	Clearance or approval of ESA documents
	License or permits for construction and operation
E&S mitigation planning (such as ESMP, biodiversity plan, etc.)	Preparation and/or adaptation of mitigation and management plans based on results of E&S assessment process
	Public disclosure and consultation
	Allocation of institutional responsibilities for mitigation and monitoring measures
	Identification of organizational, financial and human resource arrangements for implementing every mitigation and monitoring measure
Ensure implementation of E&S management measures	Supervision
	Enforcement
	Contractor management
	Monitoring and reporting
	Training and other capacity development activities
	Adaptive management (adjusting project design and/or mitigation measures based on changing circumstances and/or results of monitoring progress of indicators)

Task	Specific responsibilities
Land acquisition and resettlement planning (preparation of RPF and/or Resettlement Action Plan [RAP])	Carry out baseline survey
	Carry out detailed survey, including property valuation
	Definition of eligible parties and their respective entitlements
	Identification of resettlement site
	Identification or development of livelihood restoration support plan
	Design of grievance mechanism or dispute resolution for land acquisition or resettlement
Land acquisition and resettlement implementation (including financing)	Public disclosure and consultation
	Disbursement of compensation
	Physical resettlement, including development of resettlement site
	Implementation of livelihood restoration plan
	Title transfer and/or mutation (for land and/or physical assets)
	Monitoring of resettlement process
	Grievance management for land acquisition/resettlement
	Adaptive management (revising plans as needed based on monitoring, grievances, etc.)
	Public disclosure and consultation
	Post resettlement review or audit
Stakeholder engagement planning and implementation	Identification and mapping of stakeholders
	Development of stakeholder engagement plan
	Implementation of stakeholder engagement activities
	Establishment and operation of grievance redress mechanism
	Information disclosure for stakeholder engagement and project as a whole
	Adaptive management (revising project design or implementation as appropriate, based on ongoing stakeholder engagement)

Step 2: Mapping Institutions and Other Actors

- **Most Common Categories of Institutions and Actors involved in Project Development and Implementation**
- Project Sponsors and developers (govt ministries and agencies like the NEA), IPPs and foreign investors under a PPP model)
- Project Implementers (Both leading and supporting roles)
- Legislators and Policy makers (national and subnational)
- Regulators
- Advisers and Consultants
- Contractors and Subcontractors including informal (petty) contractors
- Other Actors
- Stakeholders including the local government and Project Affected People
- Lenders and Development Partners



Step 2 - Mapping institutions and other actors: A matrix for analyzing the roles of institutions for project-level tasks

Project: Supporting construction of a power plant							
Key Task	Institution Responsible for Task						
	PIU	Environmental regulator (EPA)	National Electricity Agency	Local govern. unit	Energy company	Supervising engineer	Contractor
Supervision	X	X	X	X	X	X	
Enforcement	X	X		X			
Contractor management	X		X		X		
Monitoring and reporting	X				X	X	
Training and other capacity development	X	X	X				X
Adaptive management	X		X	X	X	X	X
Information disclosure	X	X	X	X	X		X

Step 3: Analyze Institutional Arrangements and Links

The analysis will look at all institutions identified in step 2 including the NEA:

Examines how capacity of the NEA interacts with the capacity of other institutions for specific E&S tasks and functions

Looks for any capacity gaps, areas of overlap, excessive fragmentation, potential redundancies, or points of conflict in responsibilities

Evaluates the effectiveness of necessary lines of communication and coordination mechanisms among institutions to perform E&S tasks



Step 4: Assess Individual Institutional Capacity (Focus on NEA)

(1) Assess the NEA's Past Performance to undertake E&S functions

Review past performance implementing previous or current projects

- World Bank financed
- Other Development Partner financed
- National government or NEA Financed

(2) Assess of Current Capacity taking into account future responsibilities considers

- Enabling Environment (issues external to NEA such as the Federal Structure)
- Organizational Policy (NEA)
- Human Resources (NEA)
- Budget, equipment, and means (NEA)



Step 5: Recommend Actions to Develop Institutional Capacity

Focuses on activities that will help the NEA implement projects efficiently, effectively, and in a manner consistent with good E&S practice

Recommendations should be tailored and specific to the delivery of the NEA's E&S work and projects.

The review proposes to more specifically examine power transmission line and hydro-power investments



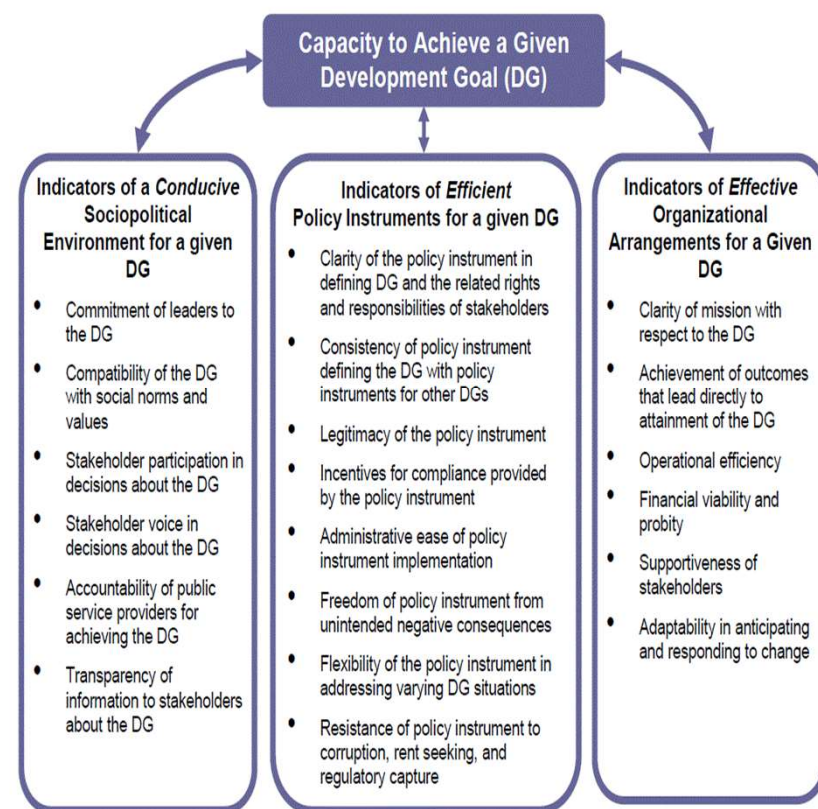
Step 6: Monitor Capacity Development Indicators and Adapt over time

Recommendations should feed into an institutional capacity development plan.

Activities agreed within the plan should have timebound indicators to correspond to intended outputs and outcomes

Indicators should define who is responsible, with a baseline and targets focus on demonstrating evidence of capacity achieved.

The plan should be periodically evaluated and adapted. Successful capacity development require both intermediate and longer term goals with a continued engagement, regular monitoring, and stakeholder consultations.



Source: World Bank Capacity Development Results Framework (CDRF)

Example: Capacity Development Program

Cameroon Environment and Social Capacity Building for the Energy and Water Sectors

Objective: Improve the management of and the accountability for environmental and social issues related to large infrastructure investments

(1) Human capacity

- Training to manage the Environmental Assessment (EA) process
- Support to review and monitor EAs, audits, and EMPs for energy sector infrastructure projects
- Support environment units in the ministry of energy and water to manage E&S issues in infrastructure projects

(2) Institutional capacity

- Establish institutional frameworks to manage social issues associated with large infrastructure projects
- Prepare sectoral E&S guidelines for the electricity, mining and transport sectors, in cooperation with private investors
- Strengthen capacity of the Ministry of Culture for monitoring impacts on physical cultural resources

(3) Legal and regulatory capacity

- Develop national environmental regulations and harmonize standards and procedures with best practice
- Support the Ministry of State Property and Land Affairs to harmonize legislation on involuntary resettlement
- Improve EMP verification and compliance through delegation of authority to sector ministries

(4) Socio-political environment capacity

- Strengthen capacity of CSOs as intermediaries for the concerns of civil society, and as sentries to monitor E&S compliance
- Organize a consultation platform between civil society, operators and Ministry on development of the energy sector
- TA to the Ministry of Social Affairs and the Foundation for Environment and Development in Cameroon (FEDEC)

Thank you



- Discuss roles and responsibilities of key institutions involved in E&S management and monitoring, and key legislative and policy framework related to E&S management (Contributes to Step 2)
- Discuss key issues affecting NEA capacity for environmental and social management (Contributes to Step 4)
- Identify key areas of focus for the institutional assessment (Contributes to Step 1)
- Agree on roadmap and workplan for the capacity assessment work